GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:2314
ANSWERED ON:06.08.2001
COMPLAINTS AGAINST AIRLINES AND FLYING CLUBS
ASHOK ARGAL

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the names of scheduled airlines, non-scheduled airlines and flying clubs in the country at present;

(b) whether some cases are pending in the court against these companies;

(c) if so, the details thereof;

(d) the details of debt equity ratio, current ratio and liquidity ratio of these companies;

(e) whether the Government have received any complaint regarding the financial irregularity of any of the company/flying club; and

(f) if so, the details thereof and the action taken thereon?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a) The list of scheduled airlines/ non-scheduled airlines and Flying Clubs in the country are at Annexure I and II respectively.

(b) and (c):Details of the court cases pending against these companies are at Annexure III.

(d) Information is being collected.

(e) and (f): Details of complaints of financial irregularitiy received from the DGCA are at Annexure IV.

ANNEXURE-I

LIST OF SCHEDULED/NON-SCHEDULED OPERATORS

SCHEDULED OPERATORS:

1. AIR INDIA

2. ALLIANCE AIR

3. INDIAN AIRLINES

4. JET AIRWAYS (INDIA) PVT.LTD.

5. SAHARA INDIA AIRLINES

NON SCHEDULED OPERATORS

1. ACE AIRWAYS PVT. LTD.

2. AERIAL SERVICES PVT. LTD.

3. AGNI-AEROSPORTS ADVENTURE ACADEMY PVT. LTD.

4. AHMEDABAD AVIATION ACADEMY LTD.

5. AIRWORKS INDIA ENGG. PVT. LTD.
6. ASIA AVIATION LTD.

7 AZAL INDIA PVT. LTD.

8. BLUE DART AVIATION LTD. (CARGO)

9. CENTURY TEXTILES & INDUSTRIES LTD.
10. DECCAN AVIATION PVT. LTD.
11. DWARKA AIR TAXI
12. ESCORTS LTD.
13. EAST INDIA HOTELS, THE OBEROI
14. GOVERNMENT OF RAJASTHAN
15. GREAT EASTERN SHIPPING COMPANY
16. HINDUSTAN INSTITUTE OF ENGG. TECHNOLOGY
17. INDIA INTERNATIONAL AIRWAYS
18. INDO-PACIFIC AVIATION
19. JAGSON AIRLINES
20. J K CORP LTD.
21. KUDREMUKH IRON ORE CO. LTD.
22. MALHOTRA HELICOPTERS
23. MEGAPODE AIRLINES
24. MESCO AIRLINES LTD.
25. ORIENT FLYING SCHOOL
26. PAWAN HANS HELICOPTERS LTD.
27. RAJPUTANA AVIATION ACADEMY PVT. LTD.
28. RAYMONDS LTD.
29. RELIANCE TRANSPORT & TRAVELS LTD.
30. SAHARA INDIA AIRLINES
31. SARAYA AVIATION PVT. LTD.
32. SPAN AIR PVT. LTD.
33. TANEJA AEROSPACE & AVIATION LTD.
34. TATA TEA LTD.
35. TRANS BHARAT AVAITION
36. U.B. AIR
37. UTTAR PRADESH AIRWAYS
38. VIDYUT TRAVEL SERVICES

ANNEXURE-II

NAMES OF THE FLYING CLUBS IN THE COUNTRY

1. AMRITSAR AVIATION CLUB

2. ANDHRA PRADESH AVIATION ACADEMY

3. BOMBAY FLYING CLUB

4. BIHAR FLYING INSTITUTE

5. BANASTHALI VIDYAPITH GLIDING & FLYING CLUB
6. COIMBATORE AVIATION ACADEMY

7 DELHI FLYING CLUB

8. GOVERNMENT FLYING TRAINING INSTITUTE, CALCUTTA

9. GOVERNMENT FLYING TRAINING INSTITUTE, BHUBANESWAR
10. GOVERNMENT FLYING TRAINING INSTITUTE, BANGALORE

11. GUJARAT FLYING CLUB
12. HARYANA INSTITUTE OF CIVIL AVIATION, KARNAL
13. JAMSHEDPUR CO-OPERATIVE FLYING CLUB
14. KERALA AVIATION TRAINING CENTRE
15. LUDHIANA AVIATION CLUB
16. MADHYA PRADESH FLYING CLUB
17. MADRAS FLYING CLUB
18. NORTHERN INDIA FLYING CLUB, JALLANDHAR
19. PATIALA AVIATION CLUB
20. RAJASTHAN STATE FLYING SCHOOL
21. STATE CIVIL AVIATION, U.P. GOVT. FLYING TRG. CENTRE
22. HARYANA INSTITUTE OF CIVIL AVIATION, PINJORE
23. INDIRA GANDHI RASHTRIYA URAN ACADEMI, RAEBARELI
24. ANDAMAN & NICOBAR FLYING TRG. INSTT. PORT BLAIR
25. ASSAM FLYING CLUB, GUWAHATI
26. NAGPUR FLYING CLUB
27. ORIENT FLIGHT SCHOOL, PONDICHERRY
28. GARG AVIATION, U.P. KANPUR
29. FLYTECH AVIATION ACADEMY, SECUNDERABAD
30. WINGS AVIATION, HYDERABAD
31. TETRA AVIATION ACADEMY, TAMILNADU
32. HAL ROTARY WING AADEMY, BANGALORE
33. ACADEMY OF CARVER AVIATION, MUMBAI
34. AHMEDABAD AVIATION, AHMEDABAD
35. TATA NAGAR AVIATION, JAMSHEDPUR
36. RAJPUTANA AVIATON ACADEMY, JAIPUR
37. FRANK AIRWAYS, INDORE
38. TANEJA AEROSPACE & AVIATION LTD.
39. BATS, BANGALORE

Annexure-III

THE DETAILS OF PENDING COURT CASES

1. Capt. N.Jaiprakash, Ex.Chief Flying Instructorо f Madras Flying Club has filed two court cases bearing Nos.OS/27/2000 and OS/84/2001 against Madras Flying Club in the Munshiff CourtAlandur for revoking the termination order of his services from Madras Flying Club.

2. A court case No.G/1-249 dated 18/3/2000 has been filed by Shri Vivek Singh, Member of Executive CommitteeJamshedpur Co-operative Flying Club, Jamshedpur in the court of Chief Judicial Magistrate at Jamshedpur against S/Sh.N.K.Singh CFI, Santosh Kumar and Mrs. Indira Singh reg. criminal breach of trust, cheating forgery of documents relating to the flying club, theft, destruction of evidence, violation of India Aircraft rules etc.

3. The court case filed by the family of deceased Capt. D.Rajkumarfor getting the insurance claim of the aircraft and the pilot which crashed on 22nd Feb. 1997 belonging to Kerala Aviation Trg. Centre, Trivandrum.

4. A court case is pending against Ex-Honorary Secretary, Capt. D.Sudhakar Reddy, of Andhra Pradesh Aviation Academy. As par the Managing Committee resolution no.1522, a legal notice was issued to Capt.D.Sudhakar Reddy to remit back the amount outstanding against him taken as advance. The case is pending in the City Civil Court, XI Metropolitan, Secunderabad.

LEGAL CASES TO RECOVER OUTSTANDING OF AAI

S.No.	Name of the Airlines	Outstanding Dues(Rs. in lacs)	Remarks
1.	Skyline NEPC Airlines	169.97	Case initiated by AAI for recovery of dues pending before the Hon`ble Chennai Airport
2.	East West Airlines	1828.81	Matter pending before Hob`ble Mumbai High Court East West Airlines has appealed against the orders of the Hon`ble Court to attachg their properties.
3.	Continental Aviation	23.02	Both aircrafts grounded. Recovery suits pending in Hon`ble Mumbai High Court.

4. Jagson Airlines	66.76	The airline has appealed against the arbitration award in the Hon`ble Delhi High Court.	

Annexure-IV

COMPLAINTS RECEIVED BY DGCA AND ACTION TAKEN:

+ DGCA has received complaints of financial irregularities done by following flying clubs and non-scheduled operators:-

A. FLYING CLUBS:

(i) M/s M.P.Flying Club, Indore: A complaint of financial irregularities done by M.P.Flying Club, Indore in purchase of three aircraft and two engines has been made by Shri Sharad K.Sanghi.

DGCA does not interfere in thefunctioning of the Flying Club although there is one nominee of DGCA in the ManagingCommittee of the clubs. The Club Managing Committee is not required to take prior permission for such financial transactions.

ii) M/s Jamshedpur Co-operative Flying Club, Jamshedpur: Anothercomplaint of serious irregularities (financial and otherwise) in Jamshedpur Co-operative Flying Club, Jamshedpur has been made by Shri Vivek Singh.

The inquiry carried out in the matter by the Cooperative Department of the Government of Bihar revealed that the allegations made in the complaint were true and accordingly the District Cooperative Officer, Govt. of Bihar suspended the mangaing Committee of the Club with effect from 19.4.2000.

An enquiry in this matter was conducted by Shri A.K.Ray, Director of Airworthiness, Calcutta on 74.2000. The report has been sent to the Special Officer, Jamshedpur Co-operative Flying Club for further necessary action.

iii) M/s Yash Air Ltd. Indore: Security clearance to Directors of M/s Yash Air Ltd., Indore for extension ofNOC to start flying training institute at Bhopal has been denied by M/o Home Affairs due to allegations of financial irregularities and falsifications of documents against their Chairman and Managing Director during their association with Uran Research and Flying Institite, Bombay.

B. NON-SCHEDULED OPERATORS:

M/s Mesco Airlines: M/s.Sundaram Finance Ltd. has complained that M/s.Mesco Airlines Ltd. has been defaulting repayment of rental and other monies due to them under the lease agreement. Therefore, M/s.Sundaram FinanceLtd. have filed various applications in the Hon`ble High Court of Chennai against M/s.MescoAirlines. As the matter is sub-judice, no action is required on the part of the Government.

C. SCHEDULED AIRLINES

+ We sought security clearance of Directors of M/s.Stallion Airways Pvt.Ltd. for issue of NOC to them tooperate air transport services. In response, the Ministry of Home Affairs has informed this Ministry thato n e Capt.PuneetSabharwalS/o Lt.Col.A.S.Sabharwal after signing the contract of employment with M/s.Stallion Airways Pvt.Ltd. on 1st July, 1998, paid Rs.6,50,000/- as fee for commercial pilot licence at the Fairchild Aircraft manufacturing facility at San Antonio, Texas, USA. Since he did not get the offer from the Company, Shri A.S.Sabharwal, father of Shri Puneet Sabharwal lodged a complaint with the local policeat Vasant Kunj against the Directors of M/s.Stallion Airways Pvt.Ltd. Presently the case is under investigation.

+ In view of the facts furnished by Ministryof Home Affairs the request of M/s.StallionAirways for extension of NOC to operate scheduled air transport services has not been agreed to.

M/s U.P.Air: Canara Bank has brought to the notice of this Ministry that M/s UP Air was enjoying various credit facilities at their Lajpat Nagar, New Delhi Branch.The account became overdue and the bank has filed a suit for recovery of Rs,23.07 crore on 1.9.1997 which was decreed on 11.9.1998. Bank has filed an appeal before DRAT, Mumbai against the order of DRT which is pending disposal.

+ In view of the above fresh security clearance of directors of the subject company has been sought. Therefore decision on their request to import 3 F-27-500 RF aircraft has been deferred.